JULY 29, 1963

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THE SOVIET BLOC'S CEMA

REPORT FROM COSTA RICA

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RECORD WORLD MEAT PRODUCTION

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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From the Kremlin (seen here from Moscow River) comes principal direction of Soviet Bloc's economic network, CEMA—a strong force in Bloc's agricultural and industrial trade (see p. 3).

Contents

3 CEMA and the Soviet Bloc--Integration or Disintegration?

5 Meat Sales Continue To Outpace the Supply

6 Report From Latin America: Costa Rica

8-9 Market Development

Marketing Official Urges New Approach to Overseas Selling of U.S. Products
"E" Award Goes to Hops Grower for Export Sales
New USDA Agency Will Coordinate Technical Aid
"California Raisinbrod" Selling Big in Denmark
New P.L. 480 Program To Help Dollar Exports
U.S. Plans Shape Up for Cologne Exhibit

10 World Crops and Markets (Commodity index on page 16)

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CEMA AND THE SOVIET BLOC
—integration or disintegration?

By THEODORA MILLS
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Reports from Eastern Europe have recently described stubborn resistance by the Soviet Bloc countries—especially Rumania—to the economic integration policy of the Bloc's Council for Economic Mutual Assistance. This organization, known variously as CEMA or COMECON, is composed of the Soviet Union, Bulgaria, Czechoslovakia, East Germany, Hungary, Mongolia, Poland, and Rumania.

CEMA has sometimes been referred to as the Common Market of the Bloc countries. This is a misnomer, despite some similarities in problems. The fundamental reason for the existence of CEMA is to serve the Soviet Union in attaining its politico-economic goals. Furthermore, the peculiarities of the politico-economic system in this group of countries lead directly and inevitably toward ever more complete integration—along Soviet lines.

The government of every CEMA country plans and controls almost all the economic life of the nation. Foreign trade, in particular—dominated in many CEMA countries by agricultural products—is a government monopoly, regulated by national plans and by bilateral trade agreements of one or more years' duration. These agreements usually attempt to balance exports with imports. In trade among the Bloc countries, this balance is imperative, since imbalances must ultimately be settled with commodities. In trade with non-Bloc countries, imbalances that cannot be settled with commodities are settled with hard currencies or gold. For foreign trade purposes, the national currencies of the Bloc are only accounting devices for record keeping; they are not convertible either within the Bloc or outside it.

Prices for commodities in foreign trade, the Bloc claims, are based on Free World prices adjusted to eliminate seasonal, cyclical, and special factors. These prices are not the same as those fixed by the Bloc governments for domestic wholesale and retail trade. Thus, the domestic and foreign transactions of a Bloc country are isolated from each other. Attempts to determine the profitableness of exports and imports require the construction and manipulation of layers of elaborate index calculations.

How and why CEMA began

The Soviet policy of reparations by confiscation had been carried out before Communist parties succeeded in taking over the governments of East European countries. From then on, exploitation had to be less obvious. The control of the Communist Party of the Soviet Union over those of the satellites was strong enough, however, to prevent these countries from joining the Organization for European Economic Cooperation in the summer of 1947. The OEEC, with massive American aid, was a success, despite Communist jeers dutifully echoed by the satellites. Then the political defense structure of the Cominform—the international organization of Communist parties—was breached by the defection of the Yugoslavs in July 1948. Yugoslavia also began to accept aid from the West. A new turn in Soviet policy was overdue.

The new turn proposed was CEMA. The idea for it was presented at a January 1949 meeting in Moscow of representatives from the USSR, Bulgaria, Czechoslovakia, Hungary, Poland, and Rumania, and CEMA was formally launched in April 1949. Albania was admitted later that year, only to be dropped after the Soviet-Albanian split in December 1961. East Germany was included in 1950, and Outer Mongolia in June 1962—the first Asian member and so far the only one.

How CEMA has busied itself

The foreign economic policy introduced by Khrushchev put new life in CEMA. Conferences and meetings and

talk abounded. The sound reached its loudest point in 1958, when Communist China and the Asian members of the Sino-Soviet Bloc agreed to the principle of Bloc economic integration. No more was heard of this, but CEMA appeared to be increasingly busy.

Detailed documentation on CEMA is lacking, so that it is difficult to tell where the sound and fury ends and action begins. However, if activities are understood to include a great preponderance of planning and negotiation, CEMA's can be arranged in the following broad categories: (1) Exchange of scientific and technical knowledge and skills; (2) Development of planned intra-CEMA trade; (3) Coordination of production and services within CEMA countries by types of products and services; (4) Joint development by two or more CEMA countries of an economic activity, and its subsequent joint operation; (5) Coordination of national plans; (6) Organization of a joint bank for noncommercial transactions and development of plans for a joint commercial bank and a convertible currency; and (7) Administrative progress.

Exchange of scientific and technical know-how.—A major activity since CEMA was founded, this exchange is reported to have been of particular importance to agriculture. CEMA takes credit for the introduction of improved seeds, livestock breeds, and crop practices in the European satellites, but how valid these claims are it is impossible to say.

Development of planned intra-CEMA trade.—This activity, a principal function in the early years and an important one still, has raised the proportion of intra-Bloc trade in total Bloc trade to a very high level; it was said to be 70 percent in 1959. Intra-Bloc coordination of foreign trade has been much concerned with agriculture because of the large part that agriculture plays in the foreign trade of these countries. For this reason, the stagnation of agriculture, primarily resulting from the nature of the Communist system, has had an impact on CEMA's trade planning. This stagnation has increased the dependence of some CEMA countries on agricultural imports and has reduced the amounts of farm products available for export in other CEMA countries that normally have agricultural surpluses. Because of the need to balance imports with exports and the emphasis on Bloc self-sufficiency, limitations on agricultural foreign trade have limited the total foreign trade of these countries as well.

Coordination of production and services within CEMA. This activity has been the subject of many conferences and the causes for the organization of many commissions within CEMA. Undoubtedly, some progress has been made in coordinating the complicated mass of plans and economic activities, but the continued discussion in CEMA of the need to standardize production and reduce unnecessary diversification suggests that much preliminary work has still to be done. For example, even under the Polish-Czech protocol of April 1962 amalgamating two large tractor plants, one in each country, it will be 1965 before both plants have equipped themselves to produce the chosen Czech model.

Furthermore, claims that certain countries will specialize in the production of certain commodities often appear to credit CEMA with initiating production patterns that originated many years earlier. For instance, Bulgaria has long specialized in fruits, vegetables, and tobacco, although it may have been CEMA that prompted the recent virtual abandonment of Bulgarian cotton production.

Joint development by two or more CEMA countries of an economic activity.—Joint development, usually of a nonagricultural activity, has often been limited to investment loans by one or more countries to develop a needed commodity in a third. Repayment of the loans is usually made in kind, with the commodity that has been developed. Pressure is being exerted to increase and extend the scope of these activities which bind two or more countries together. The outstanding example of this form of integration is the oil pipeline that is being laid from the Urals to Poland, Czechoslovakia, East Germany, and Hungary. Another is the partly completed electric power grid in Eastern Europe. Many more are in the early stages of negotiation.

Coordination of national plans.—Much coordination of both annual and long-term national plans has been reported by CEMA, but such coordination has taken place only after the nations concerned have already drafted and approved the plans; it is a matter of ratification rather than joint effort. Late in 1962, however, it was decided that national planning should be coordinated while the plans were still being drafted. Here a long step is being taken toward economic integration. It is not surprising that resistance has intensified, especially since real coordination presents a threat that foreign trade policies conflicting with national interests will actually be enforced.

Tensions associated with difficulties in foreign agricultural trade already exist in the Bloc, and the new planning procedures have aggravated them. In East Germany and Czechoslovakia, both increasingly dependent on agricultural imports because of their current agricultural slowdown, press reports repeatedly deplore the difficulty of obtaining larger imports of foodstuffs and industrial raw materials in exchange for their available industrial exports. Apparently, it is CEMA policy to secure at least a part of these needs from within the Bloc, despite the possible reluctance of the suppliers. The dependence of Poland, Hungary, and often Bulgaria on imports of grain operates in the same way.

On the other hand, Poland has exportable surpluses of ham and eggs, Bulgaria and Hungary of fruits and vegetables, and Russia of grains and cotton, limited though the quantities may be by the inefficiencies of the agricultural system. These are examples of commodities in foreign trade over which the CEMA policy of self-sufficiency has been in conflict with national self-interest. The Bloc nations apparently would prefer freedom to export wherever they can make the best bargain or exchange.

Organization of a joint bank.—An agreement to create a joint bank, but only for noncommercial transactions, was finally signed in February 1962 by all the Sino-Soviet countries except Cuba, and not only by the CEMA countries. The bank permits multilateral transfers within the Bloc for

expenditures of embassies, special missions, and tourists. The desirability of expanding its operations to include commodity trade has been repeatedly expressed, but the complications of determining equitable exchange rates for countries operating without market economies are tremendous. Thus, a joint commercial bank and a convertible currency are still in the planning stage.

Administrative progress.—Over the years, an attempt to ensure representation, continuity, and control within CEMA has led to administrative changes that have tended to increase the organization's size and scope, giving permanency to its agencies and greater authority to its representatives. Nevertheless, as the CEMA charter of 1960 declares, the organization is composed of sovereign states. Though sovereignty for nations ruled by Communist parties is seriously limited, it is by no means ineffective.

Impact of CEMA

CEMA is trying to expand the economy of the area it encompasses and make that economy more efficient. Three major difficulties hamper this CEMA program. Measuring economic efficiency is complicated by the nature of the Communist economic system and the theory behind it; particularly troublesome is the absence of the yardstick available to non-Communist economies—a market system in which prices are free.

Two other difficulties are related to each other. One stems from the opposition of economic interests within a nation or locality when their activities are curtailed or abolished to improve the economic efficiency of the whole area. Problems of this sort would arise with integration no matter what the economic system. The other difficulty, which has reached considerable proportions of late, arises from conflicts with the national ambitions of all the smaller countries, especially when these countries are bent on full-scale industrialization that does not accord with the specialization proposed by CEMA. For all the smaller CEMA members, a full development of CEMA would obliterate the last shreds of sovereign independence within the anonymity of economic integration.

These difficulties suggest that the Soviet Union has no real alternative to the promotion of CEMA policies. It has apparently rejected the Stalinist solution of complete economic domination over the other Bloc members, in favor of the less crude solution of attempting to integrate their economies with its own. Complete Bloc integration would be tolerable, though difficult to achieve; Bloc disintegration would be both intolerable and inconceivable. Thus, halting or hastening, the Soviet Union and its satellites must try to integrate.

Meat Sales Continue To Outpace the Supply

If rising meat consumption can be taken as one of the barometers of living standards, then the world is a little better off each year. Per capita demand for meat, which has soared upward as the result of post-World War II prosperity, has pushed production up to record levels in recent years, and promises to do so again in 1963.

This is most noticeable in areas such as Japan and Western Europe where the booming economic prosperity is reflected in the large volume of meat sales. Expanding world livestock numbers, which have made meat readily available to the consumer, have also contributed to rising meat sales.

The 44 major livestock producing countries of the world have made enormous progress in expanding their meat output. By the end of 1963, these countries should have increased their production approximately 44 percent over the 1951-55 average and 10 percent over last year's output.

North America will probably continue to retain its position as the top meat producing continent. (The United States—the world's leading meat producing nation—is expected to increase its production by 3.6 percent over 1962.) Last year North America produced 33.3 billion pounds. West Europe was the second largest contributor with 29 billion, and the USSR ranked third. (Communist China's production may have exceeded that of the USSR, but no statistics are available to substantiate this possibility.) South America was fourth and Eastern Europe fifth. Africa and Asia reported the lowest output of all.

In a further breakdown according to country, Russia reported the largest meat poundage increases of any of the other 44 major producing countries, while Japan showed the largest gains in livestock numbers. Production in Russia was said to have risen to 15 billion pounds in 1962, an 8-percent increase over the 13.9 billion produced the previous year. Japan reported a 32 percent increase over 1961 in livestock numbers.

In spite of the advances in other countries, the United States continued to lead even the top 10 producing countries, whose combined output accounted for 74 percent of the total 108.8 billion pounds of meat produced in 1962. Of the 80.5 billion produced by these 10 countries, the United States provided 29 billion—an increase of 1.3 percent over 1961.

Russia, the next highest producer with its 15 billion, provided roughly half as much as the United States. West Germany, France, and Argentina followed with over 5 billion pounds each. The other five countries—Brazil, the United Kingdom, Australia, Poland, and Italy—ranged from almost 3 billion to over 5 billion pounds apiece. Only 5 of the 44 countries—Chile, Greece, Ireland, Spain, and New Zealand—produced less than they did in 1961.

Although further increases in meat production in the major producing countries are expected in 1963, all 44 nations may not show gains. The demand, therefore, is expected to continue to outrun the supply, even though supplies are becoming increasingly abundant.

Right, banana harvesters at work. Crop is a big moneymaker for Costa Rica—14.5 million stems shipped last year, mostly to the United States.

Below, sugarcane being unloaded at mill. Because of the rise in world sugar prices many farmers are planning to boost their acreage.

Photos, Pan American Union

Report From Latin America: Costa Rica

By MARSHALL D. FOX
U.S. Agricultural Attaché
Costa Rica

One of the oldest of the Latin American republics, Costa Rica is also one of the smallest. With an area of slightly over 23,000 square miles, it boasts both tropical and temperate agriculture—tropical on the lowlands bordering on the Caribbean and temperate on the central plateau which rises to some 4,000 feet.

Costa Rica's agriculture, despite several adverse factors, is expected to show a moderate increase in the next few years, particularly for the most important of its export crops—coffee, bananas, cane sugar, livestock and meat, and cacao.

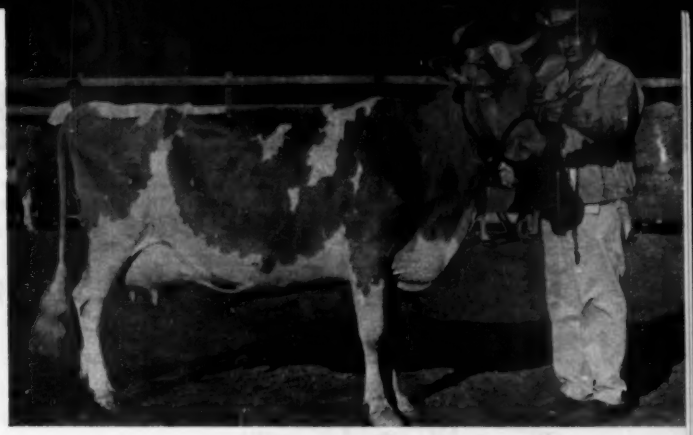
Even though the Ministry of Agriculture and Livestock does not recommend expansion of the area planted to coffee, the growers are planting the trees closer together and using more fertilizer, better measures to combat fungus and insects, and improved coffee varieties. Costa Rica, under the International Coffee Agreement, has a basic export quota of 940,470 bags (132.2 lb. each).

Because of the increase in the world sugar price, many farmers are planning to up their sugar cane acreage. The policy of the government is not to encourage acreage expansion, for they are aware of what could happen if Cuban sugar were again to enter the U.S. market. Costa Rica now only has assurance for exporting the basic quota of 25,000 short tons assigned by the United States; however, it has exported 10,000 additional tons of global quota sugar to the United States this crop year. Production costs for cane sugar are high in Costa Rica, and consequently, the government is encouraging the producers to move from the highlands region to the low flat lands where mechanization can be used effectively and costs reduced to permit more competition in world markets.

Costa Rica will also be increasing beef production. The lowlands are excellent for raising beef cattle; also, Costa Rica is interested in diversifying its agriculture so as not to rely entirely on coffee, which has been the principal crop for many years.

It is expected that banana and cacao production will increase only slightly. As for the foodstuffs consumed do-

Cacao seedling bed. Although cacao is an important export crop producers are losing interest because of low prices.



Above, Grand Champion Guernsey cow. Costa Rica's livestock industry is growing rapidly. Left, technicians inspect rice field, which is ready for harvesting.

mestically—rice, corn, beans—the policy is to encourage production only enough to satisfy internal demand. Currently, the percentage increase in population is larger than the increase in corn production.

U.S. biggest trade partner

Costa Rica has had an unfavorable balance of trade for several years, and in 1961, the deficit amounted to over $25 million. Agricultural products constitute approximately 95 percent of the country's exports. Coffee leads; in 1961, it accounted for 53 percent of total exports and was valued at $43 million.

The United States is Costa Rica's most important market. In 1961, 57 percent of its shipments went to the United States, with an approximate value of $47 million; its purchases from the United States were around $50 million, with more than $11 million spent for foodstuffs.

In the future, it is possible that Costa Rica will increase its meat exports and reduce exports of live steers. In 1953-54, 596 head were exported, whereas the estimate for 1962-63 sets the number at 35,000 head, at least 50 percent of which is shipped as boneless beef.

Costa Rica has doubled its coffee shipments since 1957. In that year they totaled 491,00 bags; in 1961 they were up to 866,000. This was not the gain it might appear to be. Coffee prices in 1957 were around $63 per 100 pounds as against $38 in 1961.

Banana shipment dropped off between 1957 and 1961. In 1957 they totaled 14 million stems and were valued at $32 million, compared with 13 million stems in 1961, valued at $19 million. Last year they showed a gain of 1.5 million; 1963 prospects are for a continued rise.

Cacao is in a somewhat precarious position. The export price of cacao beans has dropped considerably, so that independent producers are losing interest, saying that the returns are not sufficient to warrant proper tillage and control against insects and mold.

CA Common Market

One of the principal activities to which the present government of Costa Rica has dedicated itself since it took office is the joining of the Central American Common Market (CACM). The country considers that economic integration is an effective way to further the economic development of the area. Furthermore, after the treaty goes into effect, Costa Rica's internal market will expand from 1 million persons to nearly 12 million. The others are Guatemala, Honduras, El Salvador, and Nicaragua.

The Ministry of Economy, however, has indicated that the country's participation in the CACM will bring up problems of an economic nature. Wheat flour is cited as one. Costa Rica does not impose duty on its imports of wheat flour as the other countries do. If import duties were to be levied on flour, the cost of living in Costa Rica would go up, and this the country wishes to avoid.

Agricultural policy

Agricultural policies in Costa Rica are usually determined by the Ministry of Agriculture and the National Production Council. The price stabilization policy established by the Council is likely to continue for some time. The commodities under this program include rice, corn, dry beans, sorghum, and sesame. For these, the purchasing price to farmers is fixed several months before planting. Production policies pertaining to coffee, sugarcane, milk, livestock, and vegetables are established by the Ministry.

Lack of funds holds Costa Rica back in its agricultural development. More needs to be done on agricultural research. There is also a considerable shortage of trained personnel; and while efforts have been made to develop export markets, very little has been accomplished with regard to internal marketing of agricultural products. Even the agrarian reform program, which is a good one, is handicapped by money problems.

Currently, the U.S. Agency for International Development is helping to establish a sound research program, using in part Alliance for Progress loans. Such loans too may become available for the communications systems, roads, and seaport facilities which would contribute much to the development of the country agriculturally.

Marketing Official Urges New Approach To Overseas Selling of U.S. Products

Stiffening competition is forcing U.S. exporters to examine more closely than ever before both how they are selling abroad and where, members of the American Marketing Association were told in Washington last month. The speaker, Shea Smith III, Director of Economic Planning for the Monsanto Chemical Company, made several points applicable as much to agriculture as to industry:

Our export image

We have far from solved the problem of creating and maintaining an image overseas of being a reliable supplier approaching the reliability of local producers, but the situation is much improved from what it was several years ago.

When we first started the export business, availability of products for export sales was based almost entirely upon excess capacity of our domestic plants. Consequently, supplies of our products overseas were turned on and off like a faucet. The situation is improving for a number of reasons:

- Competition is becoming increasingly severe and there is more excess plant capacity on a broad range of products.
- Certain quantities are set aside for export sales.
- As export sales have grown rapidly, they have gradually come to be looked upon as a major contributor to profits and given increasing attention and support.
- Greater attention is now being given to the area of shipping and warehousing.

The individuals who have direct contact with our customers, our field marketing organization, also have an important bearing on the image we create with our overseas customers.

Our policy is to maintain an agency type of field selling organization, except in a few instances. But our trend is toward closer supervision of the agents and to "get into the act" more in his operations. For instance, in some areas we have asked the division to provide information on its customers which we call an "account profile;" we have increasingly had training programs for the salesmen of our agents; and finally we have been placing more of our own men into overseas areas for sales support.

Search for new markets

In international business we seem to be making the same mistakes that we have all been making in domestic business—riding along with the herd, going after the obvious rather than looking into more obscure corners for unique opportunities.

A case in point may be the degree to which Europe has been receiving preponderant attention these days rather than some of the less developed areas. As a result Europe is becoming highly competitive and the margin of error permissible to emerge from a European project with a satisfactory return is becoming narrower each day.

In this country we have enjoyed a high degree of political and economic stability compared to most other countries. But perhaps this is a drawback in the present situation in that it has tended to make us over conservative and less flexible in meeting the challenges of political instability, galloping inflation, and frequent currency devaluation, which are a way of life for a good many countries of the world. We shy away from these countries, more so than do our competitors in Europe and Japan, and yet there is evidence that here is perhaps where the greatest long-term profit opportunities lie as well as where the greatest contributions to society can be made. Innovation is needed to conduct business profitably under conditions strange to us.

"E" Award Goes to Hops Grower for Export Sales

At a ceremony in Washington, D.C., Under Secretary of Agriculture Charles S. Murphy, left, presents the Presidential "E" certificate and banner to Frederick J. Haas, president of the John I. Haas Company, with farms in four far western States.

The award cited the company, a leading U.S. hops grower and exporter, for its "aggressive overseas sales program . . . which had made a substantial contribution in establishing the competitive status of American hops through tests and market comparisons made in cooperation with foreign breweries."

New USDA Agency Will Coordinate Technical Aid

The Department of Agriculture plans to establish a new agency—the International Agricultural Development Service—to coordinate the activities of the Department in the field of foreign technical assistance and training programs, working with the Agency for International Development.

In announcing the Service, Secretary Orville L. Freeman noted one of its major functions: "To increase the desire and ability of less developed countries to trade on a commercially profitable basis and make possible expanded sales of U.S. products."

"California Raisinbrod" Selling Big in Denmark

William C. Lewellen (left) of the California Raisin Advisory Board and (right), N. Restrup-Carstensen, Master of Danish Baker's Guild, inspect loaves of "California Raisinbrod" with two Copenhagen bakers.

The Raisin Board and FAS recently introduced the bread to Denmark with a newspaper advertising, point-of-sale, and publicity campaign. In response to the program, already 40 percent of Denmark's bakeries are making the loaf—using more than a ton of California raisins each day. Number of bakeries producing it increases daily.

U.S. Plans Shape Up for Cologne Exhibit

Overseas Headquarters for the U.S. exhibit at the 1963 ANUGA International Fair at Cologne (Sept. 21-29) opens this week at the American Embassy, Bonn.

Construction of U.S. exhibit begins August 15. Artist's concept of the self-service American style food market is shown above. Emphasis will be on eye-appealing shelf displays plus easy access to products. Foods of some 100 U.S. firms will be presented and sold in this area, covering a quarter of the total U.S. exhibit.

Queries from U.S. food firms about the ANUGA Fair have been arriving at the rate of 30 to 40 a week. Because shipping time from most U.S. ports to Cologne is 3-5 weeks, interested firms should promptly forward participation agreements to Int'l Trade Fairs, USDA, Washington 25, D.C.

The first 10 firms to have participation agreements processed are:

Alexander & Baldwin, Inc.; Burnham & Morrill Co.; Goldhill Food Corp.; Great Lakes Cherry Producers Marketing Coop.; McCormick & Co.; Minute Maid Int'l; New England Canners; N. Pacific Canners & Packers; Ocean Spray Cranberries, Inc.; TNT Food Prods., Incorporated.

New P.L. 480 Program To Help Dollar Exports

Details of a new Public Law 480 program to help expand dollar export sales of U.S. agricultural commodities have just been announced by Secretary of Agriculture Orville L. Freeman.

The program, in an amendment to Title IV of P.L. 480, allows the Secretary of Agriculture to extend long-term, low-interest credit to U.S. and foreign private enterprise entities for financing sales of certain U.S. agricultural commodities for export to friendly countries. Previously, P.L. 480 sales programs were limited to agreements with governments of friendly nations.

"This 'Private Trade Amendment' provides another means of using U.S. agricultural commodities to the fullest extent in promoting economic development—and future cash markets—particularly in the emerging nations," Secretary Freeman said. "It is a program, too, which will provide the private trade a greater role in building larger commercial export markets."

The Secretary of Agriculture is responsible for entering into agreements with the private trade, but financing will usually be carried out through commercial banking facilities. Credit periods may be up to 20 years and interest rates will be set at the cost of funds to the Treasury of the United States for comparable maturities.

Commodities may be supplied over periods of up to 10 years; most agreements would provide for delivery in not more than 3 years. Eligible commodities include those under Commodity Credit Corporation price support and those eligible for financing under P.L. 480. U.S. cash dollar exports must be safeguarded and sales must not unduly disrupt world prices of agricultural commodities or patterns of commercial trade.

General information may be obtained from: Office of the General Sales Manager, FAS USDA, Washington, D.C. 20250.

India Expanding Sugar Capacity

As part of a plan to increase sugar production, the Government of India has announced that it will license additional sugar mill capacity, partly in the form of expansion of existing units and partly by the establishment of new units.

The interstate movement of khandsari (an inferior kind of nonfactory white sugar) was banned effective June 22, 1963. A few days later the Central Ministry of Food and Agriculture instructed state governments to bring the wholesale trade in gur (farm-made brown raw sugar) and khandsari under a licensing system within a month. These steps were taken in an attempt to bring down prices of the two types of sugar.

West African Exports of Piassava Down

Piassava exports from Sierra Leone fell from 12.8 million pounds in 1961 to 11.6 million in 1962. Exports from Nigeria fell from 7.6 million pounds to 6.4 million in the same period, and those from Liberia fell from 2.9 million to 1.7 million pounds. Practically all of the production is exported from these countries.

Sierra Leone furnishes the most important grade of piassava—a palm fiber used mostly in brushes and brooms. In 1962, it exported only 6.2 million pounds of the fiber to the United Kingdom and 1.3 million to the Netherlands compared with 7.1 million and 2.3 million in 1961. The only gain of consequence was in exports to West Germany, which were up 900,000 pounds, to a total of 3.6 million. Exports to other EEC countries in 1962 totaled less than 150,000 pounds.

Nigeria ships about 40 to 45 percent of its total piassava to the United Kingdom. In 1962 it sent 2.5 million pounds there, 1.7 million to the EEC countries, and 1 million to the United States.

Liberia ships about 60 percent of its piassava to West Germany and about 30 percent to other EEC countries. Neither Liberia nor Sierra Leone export any significant quantities to the United States, where synthetics are in stiff competition with natural fibers for brushes and brooms.

Singapore Limits Sugar Exports

On July 1, the Singapore Government began limiting sugar export permits for destinations beyond Singapore's traditional entrepot markets to 500 tons per shipment per exporter. However, applications for quantities in excess of 500 tons per ship will be considered by the Director, Trade Division. Traditional entrepot markets were listed as: Federation of Malaya, Brunei, Burma, Cambodia, Indonesia, Labuan, Laos, New Guinea, North Borneo, Sarawak, South Vietnam, Thailand, and Timor. This move reportedly was made to prevent the local sugar price from increasing further.

Argentine Beef Export Prospects

Argentina's meat export trade prospects are good for the last half of 1963, despite recent restrictions on exports of beef to the United Kingdom. These restrictions will sharply curtail shipments to that market. A meat representative stated that exports in the last half of 1963 will reach the high level of first-half shipments.

A new market has been developed in Poland for 16,535 tons, and smaller increases are expected in shipments to West Germany, Czechoslovakia, Portugal, Belgium, and Holland. Italy has relaxed restrictions on meat imports and will probably take about 77,150 tons. Argentina also expects to ship 55,100 tons to Spain in 1963, and it has been reported that the United Kingdom may later agree to an increase in the chilled quota.

Beef exports have been boosted by a 10-percent decline in consumption in the Buenos Aires area. This decline is expected to continue during the rest of the year. Total beef exports in 1963 may well show an increase of 20 to 25 percent over the 1962 volume.

New Zealand Buys U.S. Meat Firms

Two large New Zealand firms have acquired all the share capital of two California meat importing and distribution firms. The general manager for one of the New Zealand firms announced recently that his company has developed an extensive export business with the United States, particularly from New Zealand and the purchases were made in a further effort to expand this trade.

A member of the New Zealand's export staff will soon join the U.S. subsidiary.

Argentina Combats Foot-and-Mouth Disease

The campaign in Argentina against foot-and-mouth disease made considerable progress in 1962, when the number of cattle vaccinated increased from 12.7 million in June to 25.7 million in October. Vaccination is now compulsory in all of the Provinces of Buenos Aires, La Pampa, Entre Rios, San Luis, Neuguen, and in parts of Rio Negro, Cordoba, and Sante Fe Provinces.

The spread of the disease has dropped sharply as a result of the campaign. The press reported that a large portion of the country has been free of aftosa in recent months and that much fewer diseased animals have been arriving lately at the Buenos Aires livestock market.

The Argentine Government recently issued a decree governing introduction of animals into all land south of the Limoy and Negro Rivers. Movement of livestock animals for slaughter south of these rivers is prohibited, and entry of breeding animals is restricted to those from areas free of aftosa and other contagious diseases during the past 3 months and within a radius of 12.5 miles. Breeding animals are also subject to a 15-day quarantine and must be

accompanied by a vaccination certificate for aftosa.

Meat introduced into the zone must meet the same requirements as for export.

Australian Meat Moves to the U.S.

Four ships left Australia the fourth week of June with 2,490,880 pounds of beef and 248,640 pounds of mutton for the United States.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
	Eastern ports			*Pounds*
Pioneer Gem	Charleston	July 28	Beef	29,120
June 24	New York	Aug. 3	Beef	118,720
			Mutton	33,600
	Philadelphia	5	Beef	20,160
	Baltimore	7	Beef	33,600
	Western ports			
Cirrus	Los Angeles	July 7	Beef	645,120
June 21	San Francisco	14	Beef	521,920
			Mutton	201,600
	Seattle		Beef	232,960
Oriana	San Francisco	July 30	Beef	67,200
June 26			Mutton	11,200
Martha Bakke	Seattle	Aug. 16	Beef	228,480
June 26			Mutton	2,240
	Portland	19	Beef	215,040
	Los Angeles	26	Beef	71,680
	San Francisco	30	Beef	306,880

[1] Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

New Zealand Meat Shipment to U.S.

Six ships are scheduled to leave New Zealand during August with 29,008,000 pounds of meat for the United States—19,936,000 pounds for the East Coast and 9,072,000 pounds for the West Coast.

Ship	Sailing date	Destination	Quantity
			Pounds
City of Brisbane	Aug. 24	East Coast	2,016,000
Port New Plymouth	30	do.	17,920,000
Cap Ortegal	18	West Coast	2,912,000
Monterey	23	do.	336,000
Crusader	28	do.	3,136,000
Cap Finisterre	29	do.	2,688,000

U.S. Exports of Livestock Products Rise

U.S. exports of most livestock products were higher in May 1963 than in May 1962, reflecting more competitive prices for most of these products. However, for a period January-May several commodities remained below amounts exported in the same period of 1962.

Because of increased buying by the United Kingdom, U.S. exports of lard in May 1963, at 70.1 million pounds, were up 183 percent over May 1962. Exports of edible and inedible tallow and greases also were larger as were red meat exports—up 91 percent, largely because of increased shipments of pork to Canada. Shipments of sausage casings and cattle hides also were well above May 1962 levels.

Shipments of animal fats for January-May 1963 were 17 percent above those for the same period in 1962. Red meat exports were up 89 percent, with pork exports 151 percent above 1962 levels. Variety meat exports were up 38 percent, sausage casings 12 percent, and sheep and lamb skins 39 percent. However, U.S. exports of edible tallow and greases, lamb and mutton, canned sausage, and calf and kip skins for the 5-month period were below 1962 levels.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
(Product weight basis)

Commodity	May 1962	May 1963	Jan.-May 1962	Jan.-May 1963
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Animal fats:				
Lard	24,752	70,148	179,031	227,499
Inedible tallow and greases [1]	170,081	201,153	693,417	743,735
Edible tallow and greases [2]	859	981	5,029	4,722
Meat:				
Beef and veal	2,350	1,821	10,565	9,724
Pork	5,246	12,953	22,420	56,221
Lamb and mutton	155	131	1,274	525
Sausage:				
Except canned	119	126	588	590
Canned	49	134	305	369
Baby food, canned	14	39	347	235
Other canned meats	99	163	526	589
Total red meat	8,032	15,367	36,025	68,253
Variety meat	12,476	13,787	47,654	65,754
Sausage casings:				
Hog	1,370	1,438	5,876	6,333
Other natural	359	600	1,573	2,025
Mohair	1,518	1,126	6,086	6,813
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	572	701	2,684	2,971
Calf	163	133	806	634
Kip	20	22	121	86
Sheep and lamb	254	253	834	1,161

[1] Includes inedible tallow, oleic acid or red oil, stearic acid, and other inedible animal greases, fats, and oils. [2] Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

Morocco's Tobacco Imports Down

Morocco's imports of unmanufactured tobacco during 1962, at 6.7 milion pounds, were 38 percent below the 1961 high of 10.9 million but were still the third largest on record. Smaller imports from Brazil, the Dominican Republic, Colombia, Indonesia, Paraguay, and Algeria accounted for the decline and offset stepped-up takings from the United States, the Philippines, India, and Dahomey.

TOBACCO, UNMANUFACTURED: MOROCCO, IMPORTS BY COUNTRY OF ORIGIN, 1960-62

Country of origin	1960	1961	1962 [1]
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Brazil	1,466	2,941	1,700
Philippines	353	866	1,124
Dominican Republic	——	1,213	980
Colombia	441	1,770	674
United States	87	550	620
India	11	615	663
Indonesia	——	1,593	546
Dahomey	138	——	221
Argentina	574	110	110
Paraguay	155	516	55
Algeria	741	276	——
Others	559	413	33
Total	4,525	10,863	6,726

[1] Preliminary; subject to revision.

Imports from Brazil, the principal supplier, dropped from 2.9 million pounds in 1961 to 1.7 million in 1962. Takings from Colombia were down 61.9 percent, the Dominican Republic 19.2 percent, Indonesia 65.7 percent, and Paraguay 89.3 percent, from the 1961 levels. There were no reported imports from Algeria last year.

Imports of U.S. leaf last year, at 620,000 pounds, were 12.7 percent greater than the 550,000 pounds imported during 1961. Takings from the Philippines rose from 866,000 pounds in 1961 to 1,124,000 in 1962. Imports from India were also up, by 7.8 percent from the 1961 level of 615,000 pounds. Imports from Dahomey totaled 221,000 pounds.

Average prices paid to major suppliers in 1962, in terms of U.S. cents per pound, were as follows: the United States 55.1 cents; India 8.2 cents; the Philippines 25.7 cents; Brazil 32.4 cents; Colombia 24.4 cents; the Dominican Republic 30.3 cents; Indonesia 30 cents; and Dahomey 27.9 cents.

Morocco's imports of cigarettes have declined for 3 consecutive years through 1962. Last year they totaled 536,000 pounds, compared with 852,000 pounds in 1961, 1,116,000 pounds in 1960 and 1,356,000 pounds in 1959. Breakdown of imports by country of origin for 1962 are not currently available, but the United States, France, and Algeria were the principal suppliers during calendar years 1959, 1960, and 1961.

Japan Expects Larger 1963 Tobacco Crop

Preliminary estimates by the Japan Monopoly Corporation place Japan's 1963 tobacco acreage at 180,000 acres —a rise of 15 percent over 1962 plantings. The crop itself is forecast at about 342 million pounds, compared with 307 million in 1962.

Planted acreage of flue-cured tobacco in 1963 is estimated at 114,000 acres, compared with 99,000 acres last year. The flue-cured crop is forecast at 211 million pounds —up 10 percent from 1962, and the burley crop, placed at 18.1 million pounds, compares with 16.3 million a year ago. Production of other kinds of tobacco, largely native light sun-cured, is forecast at 111 million pounds.

Greece Expects Larger 1963 Tobacco Harvest

Greece's 1963 tobacco harvest is tentatively placed at 224 million pounds, compared with the 1962 harvest of 202 million. If the outturn of this season's crop materializes, the 1963 harvest would be only exceeded by the 1957 record of 242.3 million pounds.

Planted acreage for the 1963 season—primarily oriental —is estimated at a record 347,900 acres—up 13.5 percent from the 306,500 acres last season. Authorized acreage for oriental tobaccos during the 1963 season was set at 371,000 acres, compared with 334,000 acres last season. Actual plantings of oriental tobaccos amounted to only 305,600 acres last year and are not expected to exceed 346,000 acres this season.

The 1963 harvest of oriental leaf is tentatively placed at 221 million pounds, compared with 201 million for last season. The average yield per acre of 637 pounds is about 3 percent smaller than last year and about 10 percent below the 1955-59 annual average of 705 pounds. The reduction in yield was caused by adverse weather during the seeding and transplanting periods. Also, blue mold took its toll of plants in the seed beds in Central and Southern Greece, despite continuous spraying with appropriate fungicides. Current reports place the crop loss due to blue mold in the Argos area at 50 percent, Central Greece, including primarily the Agrinion, Thebes, Lamia, and Atalanti area at 15 percent, and Northern Greece from 1 to 2 percent.

Burley production—for export only—is tentatively placed at 3.3 million pounds, compared with the 1962 harvest of 1.2 million. Planted acreage is estimated at 1,853 acres, or about 3 times larger than the 630 acres planted last season.

The flue-cured harvest is forecast at 99,000 pounds from 86 acres, compared with the 1962 harvest of 44,000 pounds from 40 acres.

Canadians Smoke More Cigarettes

Consumption of cigarettes in Canada, based on tax-paid withdrawals, totaled 9,947 million pieces in January-March 1963—up 4.5 percent from the first quarter of 1962. Sales of cigars were 1.8 percent larger this year than in January-March 1962, while consumption of other tobacco products—smoking, chewing, and snuff—was down substantially from a year ago.

Rhodesian Flue-Cured Prices Still Falling

The average price of 1963-crop flue-cured tobacco sold at Salisbury, Southern Rhodesia, for the week ended July 4, 1953, (the 17th week of sales) was equivalent to 51.8 U.S. cents per pound. The average weekly prices have declined steadily for 5 consecutive weeks from the seasonal high of 60.4 cents for the 12th week.

Total sales through the 17th week amounted to 149.2 million pounds, at an average price equivalent to 49.5 U.S. cents per pound. Sales last year for the same period totaled 154.7 million pounds, at an average price of 43.3 U.S .cents.

EEC Sets Reference Prices for Fresh Fruits

The EEC recently announced "reference prices" for a number of important fresh fruits for the 1963 marketing season: fresh apples, pears, table grapes, oranges and lemons. These prices are applicable to imports from third countries. If the markets of the Community suffer (or are threatened by) disturbances due to imports from third countries at prices below the reference price level, such imports may be suspended or burdened by a compensatory tax. The reference prices are on a c.i.f. basis and apply to Class I fruit.

The reference prices for the 1963 season are essentially the same as last season for all items indicated above, except apples, on which the prices are moderately higher for

preferred or premium varieties. However, these prices as well as those for the other items, are generally well below levels at which such United States fresh fruit may be expected to be delivered.

New Danish Dairy Contract with U.S. Army

The Danish Butter Export Board, in strong competition with several other European countries, recently negotiated a new contract for the delivery of dairy products to the U.S. Army in West Germany. This contract, for the year beginning July 1, 1963, calls mainly for the delivery of whole milk but also includes chocolate milk, buttermilk, cream and cottage cheese. The total value of this shipment is reported to be more than $4 million.

The Canadian Dairy Situation

Milk production in Canada during the first quarter of 1963, at 3,492 million pounds, was only fractionally above that for the comparable 1962 period. All of the increase occurred in the two leading dairy Provinces, Ontario and Quebec. Despite a substantial reduction in the number of dairy cows from December 1961 to December 1962, production for the entire year is expected to be slightly higher than last year's because of increased production per cow.

Sales of milk for human consumption during January-March 1963 were slightly larger than in 1962, and output of butter, at 45.8 million pounds, was up about 1 percent. Other dairy products whose production increased from the 1962 period, were evaporated milk, 53.4 million pounds (47.0 million pounds last year); condensed milk, 5.1 million (4.5 million); and dried whole milk, 5.4 million (5.1 million).

Production of nonfat dry milk dropped about 1 percent to 25.4 million pounds. Cheese output, at 13 million pounds, was just below the 1962 level.

Overall exports of dairy products from Canada during the first quarter of 1963 exceeded those of the comparable period of 1962. Nonfat dry milk was the most important dairy products exported, with shipments up by 82 percent to 16 million pounds. Netherlands, the largest purchaser, took 5.7 million pounds, followed by Denmark, 1.8 million; Spain, 1.6 million; and Cuba, 1.5 million.

Dry whole milk exports declined from 5 million pounds to 3.3 million, of which 3.2 million went to Venezuela.

Trade in cheese dropped slightly to 2.6 million pounds. About 88 percent of this quarter's sales were made to the United Kingdom.

Shipments of casein increased from 1.8 million pounds to 3.1 million. The United States was again the most important customer, purchasing 85 percent of total exports.

Flour and Macaroni Factory for Ethiopia

Announcement was made on June 20 of the establishment of a new flour mill and macaroni factory, to be built in Nazareth, Ethiopia, about 60 miles southeast of Addis Ababa. The capitalization of Eth$390,000 (U.S. $156,000) was taken up in shares of one-third each by the heirs of the late Duke of Harar, Nicolas Dracopoulos and Nicolas Lazaridis. The factory will produce flour and all types of macaroni for domestic consumption and possibly for export.

U.S. Wheat, Flour Exports Set Record

U.S. wheat and flour (grain equivalent) exported during May 1963, at 86 million bushels, were 9 million bushels more than last month's record.

July-May 1962-63 exports totaled 587 million bushels, compared with 661 million during the same period a year ago.

See story in detail and table showing wheat and flour exports by country of destination during July-May 1961-62 and 1962-63 in the July issue of *World Agricultural Production and Trade Statistical Report.*

Japan Raises Farm Prices for Wheat, Barley

Japan's Ministry of Agriculture and Forestry has announced increased purchase prices for domestic wheat, common barley, and naked barley for the 1963 crop. The price of wheat is set at $3.12 per bushel, representing a 9-cent increase; common barley at $2.18, a 6-cent increase; and naked barley $3.24, a 9-cent increase over the previous year. The prices are effective as of July 1.

The increased domestic purchase prices for these grains are designed to assist farmers who have been affected by adverse weather conditions during the harvest season. Wheat purchases by the government are expected to be down by 50 percent, while barley purchases are likely to be down about 40 percent from last year.

The primary purpose for the guaranteed grain prices in Japan has been to stimulate production.

U.S. Feed Grain Exports Higher

U.S. feed grain exports for July-May 1962-63 totaled 13.4 million metric tons, compared with 12.6 million for the same period a year earlier.

Corn, still the principal feed grain exported, remained at about the same level as last year. Sorghum and oats showed the largest increase, and barley a 17-percent decrease.

See July issue of *World Agricultural Production and Trade Statistical Report* for complete details, including a table showing exports to principal countries.

U.S. Exports More Cotton Linters

U.S. exports of cotton linters, mostly chemical qualities, totaled 283,000 running bales during the first 10 months (August-May) of the 1962-63 season. This was 26 percent above the 224,000 bales exported in the same months a year earlier.

Quantities exported to principal destinations from August 1962 through May 1963, with comparable 1961-62 figures in parentheses, were: West Germany 131,000 bales (118,000); Japan 79,000 (50,000); United Kingdom, 35,000 (27,000); Canada 17,000 (13,000); Netherlands

9,000 (2,000); France 3,000 (10,000); East Germany 3,000 (0); Spain 3,000 (0); and Australia 2,000 (2,000).

Exports in May amounted to 30,000 bales, compared with 37,000 in April and 26,000 in May 1963.

New Guinea and Papua Copra, Coconut Oil Exports

In 1962, exports of copra and coconut oil from New Guinea and Papua totaled 69,017 long tons, oil equivalent basis. This was slightly below the 72,119 tons exported in the previous year.

Copra exports in 1962 declined by 11 percent from 1961. Shipments from New Guinea totaled 58,753 tons and those from Papua 14,897, compared with 67,073 and 16,104 tons, respectively, in 1961.

Coconut oil exports, solely from New Guinea, increased by 15 percent from 1961.

NEW GUINEA, PAPUA: COPRA, COCONUT OIL EXPORTS BY COUNTRY OF DESTINATION, ANNUAL 1959-62

Country of destination	1959	1960	1961	1962
Copra:	*Long tons*	*Long tons*	*Long tons*	*Long tons*
Australia	26,534	25,824	26,580	28,292
United Kingdom	30,173	32,935	51,093	41,978
Japan	5,647	4,627	5,504	3,380
Germany, West	—	2,055	—	—
Netherlands	—	2,060	—	—
Total	62,354	67,501	83,177	73,650
Coconut oil:				
Australia	—	—	—	1,250
United Kingdom	13,023	14,151	19,717	21,367
Canada	9,511	3,002	—	—
Italy	—	666	—	—
Netherlands	1,182	—	—	—
Total	23,716	17,819	19,717	22,617

Overseas Trade Statistics, Territory of Papua and New Guinea.

Liberia Palm Kernel Exports

Palm kernel exports from Liberia in 1962 totaled 7,933 short tons—down sharply from the 1961 and 1960 levels of 14,210 and 16,778 tons.

Harvesting of palm kernels, virtually all from wild palms, has been severely curtailed owing to reduced exporter prices. Current prices paid by exporters, average $6.25 per 168 pound bag. Reportedly, there is little incentive to harvest when the price is below $7.00; $8.50 per 168-pound bag is considered a good price.

Exports of palm oil are small because most of the production is consumed domestically. The crude oil sells for about "15 cents a soda bottle".

Malaya's Exports of Copra, Coconut Oil

Net exports of copra and coconut oil from the Federation of Malaya and Singapore in the first quarter of 1963 totaled 5,773 long tons, in terms of oil equivalent. Although normally a net exporter of copra and coconut oil in oil equivalent terms, the Federation was a net importer in the first quarter of 1962.

Malaya-Singapore, a net importer of copra, exported 11,370 tons of copra in January-March 1963, against 13,827 tons in January-March 1962. Imports declined by over one-half to 14,042 tons from 30,443 tons in the corresponding period a year ago, largely because of reduced supplies from Indonesia.

Malaya-Singapore, a new exporter of coconut oil, imports insignificant quantities of oil. Net exports in the first quarter declined by 14 percent from the first quarter of 1962.

COPRA AND COCONUT OIL: MALAYA, SINGAPORE, EXPORTS, IMPORTS, NET EXPORTS, JAN.-MAR. 1962-63

Continent and country	Copra January-March		Coconut oil January-March	
	1962 [1]	1963 [1]	1962 [1]	1963 [1]
EXPORTS	*Long tons*	*Long tons*	*Long tons*	*Long tons*
North America	—	—	1,011	801
South America	—	—	—	446
Europe:				
Belgium	600	—	—	—
France	—	—	—	203
Germany, West	200	—	—	989
Italy	425	600	1,334	—
Netherlands	200	—	685	—
Spain	196	350	—	247
Sweden	1,175	—	—	—
United Kingdom	—	—	424	355
Other	[2] 400	—	—	—
Total	3,196	950	2,443	1,794
Africa:				
Egypt	—	—	—	465
South Africa, Republic of	—	—	1,534	1,171
Other	—	—	1,152	508
Total	—	—	2,686	2,144
Asia:				
Burma	—	—	194	48
China, Mainland	—	—	—	400
China, Taiwan	50	200	390	40
Hong Kong	—	—	127	66
India	6,638	7,156	—	5
Iraq	1,000	750	—	400
Japan	2,110	1,075	—	52
Pakistan	—	—	169	397
Other	833	1,239	1,974	1,642
Total	10,631	10,420	2,854	3,050
Oceania	—	—	72	75
Grand total	13,827	11,370	9,066	8,310
IMPORTS				
British Possessions	1,423	481	347	378
Indonesia	28,732	13,306	5	476
Other	288	255	1	—
Grand total	30,443	14,042	353	854
Net exports	—16,616	—2,672	8,713	7,456
Net exports of copra and coconut oil:				
Copra equivalent	—2,786	9,163	—	—
Oil equivalent	—	—	—1,755	5,773

[1] Preliminary. [2] All to Czechoslovakia.
Compiled from official sources.

Japan To Import Rapeseed Meal

Japan is expected to import sizable quantities of rapeseed meal because of sharply reduced domestic rapeseed production in 1963 resulting from unfavorable weather (see *Foreign Agriculture,* July 8, 1963).

Japanese production of rapeseed meal from the 1963 rapeseed crop has been forecast at only 81,600 short tons, compared with 155,400 tons in 1962. Consequently, import requirements, which in the past have been small, are currently estimated at around 70,000 to 75,000 tons.

Japanese rapeseed meal imports are under the foreign fund allocation system, and the Ministry of Agriculture and Forestry is expected to announce the import allocation in the near future. Canada is reportedly the most promising supplier.

Most of the domestic utilization (90,000 to 100,000 tons) will be as fertilizer on the 1964 tobacco crop, which could to some extent be replaced by chemical fertilizers. Rapeseed meal has also been used to fertilize fruit and vegetable acreages.

Philippine Desiccated Coconut Exports

Registered exports of desiccated coconut from the Philippine Republic in June totaled 5,950 short tons; in June 1962, they were 6,652 tons.

Exports during January-June 1963 amounted to 28,182 tons—an increase of 8 percent from the 26,141 tons exported in the first 6 months of 1962. Shipments to the United States were up by 3 percent. Shipments to Canada, West European destinations and Australia also increased.

DESICCATED COCONUT: PHILIPPINE EXPORTS JANUARY-JUNE 1963 WITH COMPARISONS

Destination	January-June [1]		
	1962 [1]	1962	1963
North America:	*Short tons*	*Short tons*	*Short tons*
United States [2]	57,123	22,563	23,349
Atlantic Coast	(41,490)	(16,289)	(16,512)
Pacific Coast	(9,902)	(4,162)	(4,725)
Canada	1,062	291	1,065
Total	58,185	22,854	24,414
South America	130	48	54
Europe:			
Denmark	320	122	259
Germany, West	1,674	486	770
Netherlands	363	42	198
Spain	203	38	90
United Kingdom	549	283	95
Other	[3] 889	[3] 262	355
Total	3,998	1,233	1,767
Africa	177	113	46
Asia	272	127	150
Oceania:			
Australia	2,762	1,484	1,751
New Zealand	391	282	——
Total	3,153	1,766	1,751
Grand total	65,915	26,141	28,182

[1] Preliminary. [2] Includes Gulf Coast, Great Lake ports, Hawaii, and Puerto Rico. [3] 25 tons to United Kingdom, Germany optional discharge.
Philippine trade sources.

Suez Canal Shipments Decline in May

The volume of oil-bearing material shipments northbound through the Suez Canal in May was over one-third below that of April (*Foreign Agriculture*, July 1, 1963) and one-tenth below that of May 1962.

Total shipments in October-May of the current U.S. marketing year were 11 percent greater than shipments during the comparable period a year ago. Of continued significance were the increases registered in the 8-month period in shipments of cottonseed, up 67 percent; of peanuts, 49 percent; and of castor beans, 40 percent. Copra shipments were up 18 percent. These increases more than offset the declines registered in soybean shipments, down 64 percent, and in palm kernel shipments, down 21 percent. Flaxseed shipments were down 7 percent.

OIL-BEARING MATERIALS: SUEZ CANAL, NORTHBOUND SHIPMENTS BY KIND, MAY 1963, WITH COMPARISONS

Item	May		October-May	
	1962	1963	1961-62	1962-63
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Soybeans [1]	155	——	142,549	51,886
Copra	41,743	34,295	403,300	476,523
Peanuts	8,159	17,280	133,117	198,858
Cottonseed	22,634	21,745	98,551	164,592
Flaxseed [2]	5,231	6,089	30,820	28,813
Castor beans	7,104	5,578	27,580	38,512
Palm kernels	2,484	1,577	23,465	18,631
Other	15,786	6,071	114,724	100,877
Total	103,296	92,635	974,106	1,078,692

[1] 1 metric ton of soybeans equals 36.743333 bushels.
[2] 1 metric ton of flaxseed equals 39.367857 bushels.
Suez Canal Authority, Cairo, Egypt.

The sharp decline in the volume of soybean shipments during the first 8 months of the marketing year continues to reflect relatively small export availabilities from Mainland China and their probable diversion to the Japanese market.

SOYBEANS: SUEZ CANAL NORTHBOUND SHIPMENTS, APRIL, MAY, JUNE, QUARTERLY TOTALS, 1958-1962

Month and quarter	Year beginning October 1				
	1958	1959	1960	1961	1962
	1,000 bushels	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
April	2,756	4,556	441	231	556
May	2,792	2,866	184	6	0
June	4,152	1,213	588	2	——
Oct.-Dec.	4,189	8,598	919	919	12
Jan.-Mar.	10,435	13,999	6,062	4,082	1,328
Apr.-June	9,700	8,635	1,213	239	——
July-Sept.	5,879	2,756	2,756	327	——
Oct.-Sept.	30,203	33,988	10,950	5,567	——

Totals computed from unrounded numbers.
Suez Canal Authority, Cairo, Egypt.

Argentine Peanut Production Declines

The 1962-63 peanut crop in Argentina is placed at 371,475 short tons, unshelled basis, according to the second official estimate.

The current estimate is 5 percent below the first official estimate and over one-fifth below the 477,300 tons produced in 1961-62. The bulk of this decline reflects reduced yields; however, the planted area is also somewhat below last year's.

In view of this year's rather sharp decline in the production of peanuts and sunflower seed, exports of edible oils and oilseed products in the remaining months of 1963 may drop off significantly.

India's Sesameseed Production Rises

India's production of sesameseed in 1962-63, provisionally estimated at 499,600 short tons, was almost 20 percent larger than the revised official estimate of 417,800 for 1961-62, the Ministry of Food and Agriculture reports.

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This increase was attributed partly to the expansion in cultivated acreage and partly to increased yields resulting from favorable weather conditions during the growing period. The 1962-63 sesame crop was harvested from 5,989,000 acres which represents an increase of 442,000 acres, or 8 percent, from the acreage harvested in 1961-62.

The increase in production during 1962-63 occurred mainly in the State of Uttar Pradesh and to a small extent in the States of Rajasthan, Andra Pradesh, and Madhya Pradesh.

Philippines Export More Copra, Coconut Oil

Recorded copra and coconut oil shipments in January-June 1963, as compiled from monthly data on registered shipments, have been revised to 386,390 and 92,018 long tons, respectively (*Foreign Agriculture*, July 22, 1963).

The combined exports of copra and coconut oil for the first 6 months of 1963, on an oil equivalent basis, amounted to 335,444 tons, compared with 250,439 tons in the same period of 1962—an increase of 34 percent.

PHILIPPINES: REGISTERED EXPORTS OF COPRA AND COCONUT OIL, JANUARY-JUNE 1962 AND 1963

Country and Continent of destination	January-June 1962	January-June 1963
Copra:	*Long tons*	*Long tons*
United States	102,680	102,425
Europe	210,330	257,215
South America	9,150	7,000
Japan	7,200	16,500
Middle East	1,500	3,250
Total	327,860	386,390
Coconut oil:		
United States	43,587	90,440
Canada	300	—
Europe	—	1,578
Total	43,887	92,018

WORLD CROPS AND MARKETS INDEX
(other commodity articles listed on page 2)

Cotton
13 U.S. Exports More Cotton Linters

Dairy and Poultry Products
13 New Danish Dairy Contract With U.S. Army
13 The Canadian Dairy Situation

Fats, Oilseeds, and Oils
14 New Guinea and Papua Copra, Coconut Oil Exports
14 Liberia Palm Kernel Exports
14 Malaya's Exports of Copra, Coconut Oil
14 Japan To Import Rapeseed Meal
15 Philippine Desiccated Coconut Exports
15 Suez Canal Shipments Decline in May
15 Argentine Peanut Production Declines
15 India's Sesameseed Production Rises
15 Philippines Export More Copra, Coconut Oil

Fruits, Vegetables, and Nuts
12 EEC Sets Reference Prices for Fresh Fruits

Grains, Feeds, Pulses, and Seeds
13 Flour and Macaroni Factory for Ethiopia
13 U.S. Wheat, Flour Exports Set Record
13 Japan Raises Farm Prices for Wheat, Barley
13 U.S. Feed Grain Exports Higher

Livestock and Meat Products
10 Argentine Beef Export Prospects
10 New Zealand Buys U.S. Meat Firms
10 Argentina Combats Foot-and-Mouth Disease
11 Australian Meat Moves to the U.S.
11 New Zealand Meat Shipments to U.S.
11 U.S. Exports of Livestock Products Rise

Sugar, Fibers, and Tropical Products
10 India Expanding Sugar Capacity
10 West African Exports of Piassava Down
10 Singapore Limits Sugar Exports

Tobacco
11 Morocco's Tobacco Imports Down
12 Japan Expects Larger 1963 Tobacco Crop
12 Greece Expects Larger 1963 Tobacco Harvest
12 Canadians Smoke More Cigarettes
12 Rhodesian Flue-Cured Prices Still Falling